



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 26, 2003

S. 1250

Enhanced 911 Emergency Communications Act of 2003

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on July 17, 2003*

SUMMARY

S. 1250 would authorize the appropriation of \$500 million a year to the National Telecommunications and Information Agency (NTIA) for grants to state and local governments and tribal organizations for improving emergency communications services. It also would establish the Emergency Communications Task Force to improve coordination between federal, state, and local emergency communications systems and would direct the Federal Communications Commission (FCC) to monitor the collection and spending of fees levied by states for the purposes of supporting those systems.

CBO estimates that implementing S. 1250 would cost \$213 million in 2004 and about \$2.2 billion over the 2004-2008 period. CBO estimates that enacting this bill would have no effect on direct spending or revenues.

S. 1250 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). It would benefit state, local, and tribal governments by authorizing grants to enhance emergency communication services.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1250 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2004	2005	2006	2007	2008
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
NTIA					
Estimated Authorization Level	510	510	510	511	511
Estimated Outlays	208	410	510	511	511
FCC					
Estimated Authorization Level	5	5	5	5	5
Estimated Outlays	5	5	5	5	5
Total					
Estimated Authorization Level	515	515	515	516	516
Estimated Outlays	213	415	515	516	516

BASIS OF ESTIMATE

Section 5 would authorize the appropriation of \$500 million a year to NTIA for grants to state and local governments and tribal organizations for improving emergency communications systems. Based on information from that agency, CBO estimates that administering these grants would cost about \$5 million a year. Section 4 would establish an Emergency Communications Task Force, which would be charged with improving coordination between Federal, state, and local emergency communications services. The bill specifies that representatives from the Department of Justice, the Department of Homeland Security, the Department of Defense, the Department of the Interior, the Department of Transportation, the FCC, and other state, local, and industry organizations would serve on the task force. Administrative and travel costs for federal employees on the task force would be paid by the NTIA. Based on information from NTIA, we estimate the task force would cost about \$5 million a year over the 2004-2008 period.

Assuming appropriation of the necessary amounts for the grants and administrative costs, and the cost of operating the task force, CBO estimates that implementing section 5 would cost \$208 million in 2004 and about \$2.2 billion over the 2004-2008 period.

Section 6 would direct the FCC to review the level of fees charged to consumers by state and local governments to support the operations of emergency communications services. Based on information provided by the FCC, CBO estimates that implementing section 6 would cost about \$5 million in 2004 and \$25 million over the 2004-2008 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

This bill contains no intergovernmental or private-sector mandates as defined in UMRA. It would benefit state, local, and tribal governments by authorizing grants to enhance emergency communications services. Any costs incurred by state, local, and tribal governments as a result of this legislation would be voluntary conditions of receiving federal assistance.

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